GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1087
ANSWERED ON:16.08.2012
APPOINTMENT IN THE BOARD OF DIRECTORS OF PSUS
Saroj Shri Tufani

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether a large number of retired IAS, IPS and other high ranking officers have been appointed in the Board of Directors of Public Sector Undertakings (PSUs);

(b) if so, the number of such retired officers appointed in the Board of Directors of different as on date;

(c) the details of facilities made available to them along with the details of expenditure incurred on them on attending the meetings of the Boards of Directors; and

(d) the justification behind appointing retired bureaucrats in the Boards of Directors?

Answer

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a) and (b) : The Board of Directors of Central Public Sector Enterprises (CPSEs) consists of functional, government and non-official Directors. The non-official Directors are appointed on the Boards of CPSEs by the concerned administrative Ministries on the basis of recommendations of Search Committee after obtaining approval of competent authority. During the last two years, i.e. 2011 and 2012 (till date), about 385 recommendations have been made for filling up 270 positions of non-official Directors on the Boards of CPSEs, which includes recommendations in respect of 92 retired Government servants, 99 ex-Corporate/CPSE executives, 79 academicians and 115 professionals from relevant fields.

(c) : The non-official Directors are entitled only to sitting fees within the ceiling prescribed by the Government, and applicable Travelling/Dearness Allowance for attending the meetings of Board of Directors.

(d) : The Government has laid down the criteria for persons who can be considered for appointment as non-official Directors on the Boards of CPSEs in terms of educational qualifications, age and experience. In terms of laid down criteria, retired Government officials with a minimum of ten years experience at Joint Secretary level or above are eligible to be considered for appointment as non-official Directors on the Boards of CPSEs.